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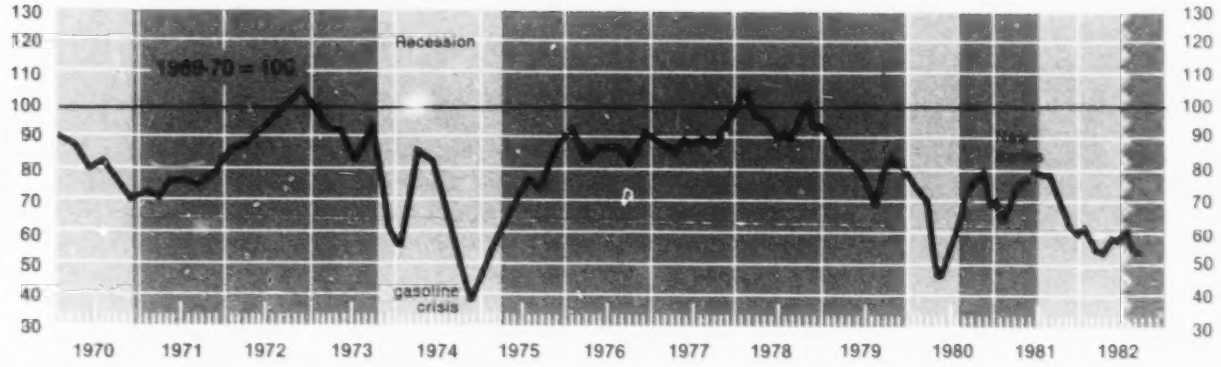
Consumer Attitudes and Buying Plans

A Monthly Report from The Conference Board
Based on a Survey Conducted by National Family Opinion, Inc.

Consumer Confidence Index

October, 1982



CONSUMER CONFIDENCE LOW BUT STEADY, PLANS TO PURCHASE DOWN

The measure of consumer confidence remained unchanged in September. The Board's Index (1969-1970 = 100) is presently at 53.5. Consumers view the present situation with increasing concern, but their outlook for the months ahead is slightly more optimistic. Buying plans are down for the second consecutive month.

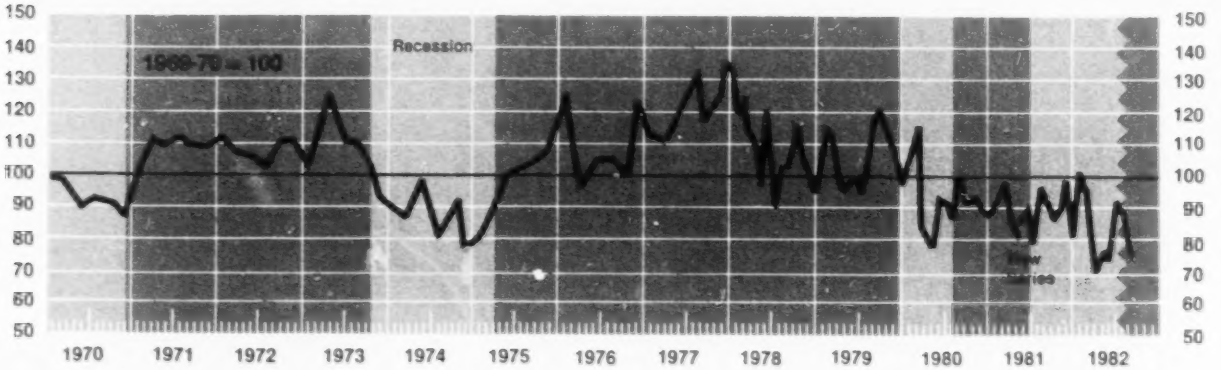
Substantially more than half of all respondents regard business conditions as "bad;" three out of every five complain that jobs are "hard to get." Both of these ratios are the most negative in the 15-year history of the survey. However, in looking ahead to the next six months, a higher proportion of persons than last time now believe that business conditions will improve; and a larger number expect that more jobs will be available. In assessing their own prospects, fewer persons than last time believe their earnings will increase.

Buying plans for all the items included in the survey are down. Fewer consumers than last time intend to purchase an automobile; fewer intend to buy a home. There has also been a decline in those in the market for a major appliance. Buying plans were also off in August.

The consumers' deflated spirits are consistent with the uninspiring economic news. While inflation has quieted down, the record-high level of unemployment and the discouraging job outlook apparently continue to be major depressants. More persons feel that there will be fewer jobs than more jobs in the immediate period. It is not likely that there will be a significant upturn in confidence until there are at least some signs that there is an improvement in the employment situation. It is often suggested that the economic recovery is waiting for the consumer, but with one out of every ten wage earners out of work, the consumer is waiting for the economy.

Fabian Linden

Buying Plans Index



All data seasonally adjusted

Consumer Expectations and Intentions

Based on surveys conducted by National Family Opinion, Inc.

Percentage of all households

All series seasonally adjusted	1981 Sept.	Oct.	Nov.	Dec.	1982 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug(r)	Sept.(p)
Composite Series: Index Numbers, 1969-1970 = 100													
Consumer Confidence Index	70.4	67.4	61.6	59.4	62.1	58.1	53.3	54.0	56.2	57.1	61.6	53.7	53.5
Present Situation	51.9	48.0	41.1	34.4	32.1	30.0	25.5	21.0	23.5	19.1	20.9	18.2	12.9
Expectations	82.8	80.3	75.2	76.1	82.0	76.9	71.8	76.0	81.6	82.4	88.7	77.3	80.6
Buying Plans Index	90.3	86.2	89.8	99.2	81.3	100.9	94.8	70.3	74.9	73.9	92.0	89.0	74.7
Appraisal of Present Situation: Percent													
Business Conditions													
Good	16.5	16.7	14.2	13.0	12.4	12.0	9.9	9.7	10.6	9.4	10.7	8.8	6.3
Bad	28.7	31.7	35.2	39.5	41.1	45.6	47.3	53.6	47.6	50.2	49.7	50.6	55.3
Normal	54.8	51.6	50.6	47.5	46.5	42.4	42.8	36.7	41.8	40.4	39.6	40.6	38.4
Employment													
Jobs plentiful	13.0	11.6	10.8	8.9	8.4	8.7	7.7	6.0	5.8	4.4	4.6	4.4	3.3
Jobs not so plentiful	48.0	48.1	45.7	44.3	43.4	40.5	40.1	36.9	41.3	39.7	38.8	37.7	36.0
Jobs hard to get	39.0	40.3	43.5	46.8	48.2	50.8	52.2	57.1	52.9	55.9	56.6	57.9	60.7
Expectations for Six Months Hence: Percent													
Business Conditions													
Better	19.3	19.6	19.3	21.5	23.8	21.9	20.6	22.1	23.4	22.4	25.3	21.5	25.8
Worse	15.8	18.5	20.2	23.9	19.9	22.9	22.6	19.3	18.0	18.3	16.9	21.3	19.7
Same	64.9	61.9	60.5	54.6	56.3	55.2	56.8	58.6	58.6	59.3	57.8	57.2	54.5
Employment													
More jobs	13.5	15.4	13.9	16.7	17.7	16.5	15.9	16.7	16.1	19.6	21.0	17.1	21.0
Fewer jobs	23.2	26.9	29.6	31.4	28.1	30.9	33.3	28.3	26.8	25.1	24.6	29.5	28.0
Same	63.3	57.7	56.5	51.9	54.2	52.6	50.8	55.0	55.1	55.3	54.4	53.4	51.0
Income													
Increase	30.4	33.4	29.8	31.4	31.3	29.9	25.8	22.1	24.5	23.0	27.3	26.9	21.9
Decrease	8.0	9.4	9.5	10.3	10.3	9.0	12.1	12.3	11.0	11.0	9.8	10.6	12.9
Same	61.6	57.2	60.7	58.3	58.4	60.3	62.1	65.6	64.5	66.0	62.9	62.5	65.2
Plans to Buy Within Six Months: Percent													
Automobile													
Yes	7.0	6.6	6.9	7.3	6.4	7.8	7.4	5.0	5.8	6.1	7.2	6.6	5.8
New	3.1	3.6	3.7	3.7	3.4	3.9	3.8	2.5	2.7	3.2	3.6	3.7	3.1
Used	3.4	2.7	2.6	2.9	2.9	3.5	3.1	2.2	2.7	2.6	3.0	2.6	2.2
Uncertain	0.5	0.3	0.6	0.7	0.1	0.4	0.5	0.3	0.4	0.3	0.6	0.3	0.5
Home													
Yes	2.4	2.3	2.4	2.7	2.0	3.2	3.0	2.1	2.0	1.8	2.6	2.2	1.8
New	0.3	0.6	0.4	0.6	0.4	0.6	0.6	0.3	0.5	0.3	0.5	0.3	0.3
Lived in	1.4	1.1	1.3	1.2	1.1	2.0	1.5	1.4	1.1	1.0	1.2	1.2	0.8
Uncertain	0.7	0.6	0.7	0.9	0.5	0.6	0.9	0.4	0.4	0.5	0.9	0.7	0.7
Major appliances													
Total plans	27.5	27.8	27.1	32.7	26.1	28.9	27.6	22.7	23.9	22.9	27.3	29.9	23.0
Refrigerator	3.4	3.9	3.2	4.0	3.9	3.5	3.6	2.9	3.1	2.8	3.2	3.8	3.1
Washing machine	3.6	3.5	3.7	4.1	3.6	4.2	3.7	2.9	3.6	2.9	3.8	3.6	3.1
Black and white TV	1.3	1.4	1.2	1.4	1.2	1.4	1.3	1.0	0.8	0.8	0.8	1.0	1.1
Color TV	7.1	7.0	7.1	8.5	6.4	7.2	7.0	5.8	5.6	6.4	7.3	7.8	6.0
Vacuum cleaner	5.4	5.0	5.7	5.7	4.6	5.5	4.9	4.0	4.3	4.0	5.8	6.2	4.1
Range	2.4	2.5	2.3	3.0	2.2	2.3	2.3	2.1	2.2	2.1	1.9	2.7	2.0
Clothes dryer	3.1	3.0	2.8	3.6	2.7	3.4	3.3	2.6	2.9	2.6	3.2	3.0	2.6
Air conditioner	1.2	1.5	1.1	2.4	1.5	1.4	1.5	1.4	1.4	1.3	1.3	1.8	1.0
Carpet	8.7	7.1	8.3	9.3	7.3	7.1	6.8	6.0	6.1	6.3	8.0	9.2	7.3
Vacation Intended Within Six Months: Percent													
Vacation Intended		48.9		50.0		48.9		44.9		44.8		52.2	
Destination													
Home state		11.9		11.0		10.2		9.1		10.1		10.7	
Other states		33.4		34.7		34.1		32.4		30.7		36.9	
Foreign country		5.2		5.7		6.2		4.8		4.6		6.2	
Means of Travel													
Automobile		32.7		33.2		32.7		29.7		31.7		34.6	
Airplane		15.4		16.4		16.5		14.8		12.8		17.5	
Other		3.8		3.5		3.4		4.4		3.3		4.2	

All 1981 data have been adjusted to reflect that year's revised seasonal factors.

New Series: Beginning May, 1981 the NFO sample includes all types of households, prior to that families only. To link results overlapping surveys were conducted for four mounts commencing with May. Data are available on request. (p)—preliminary (r)—revised

Please Note: In the interest of speeding the data contained in this publication to you, these series are now available on-line through The Conference Board Data Base. For more information, contact Linette Stein at (212) 759-0900.